(e) if not, in what way the Government propose to safeguard the interests of cotton growing farmers?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN): (a) to (e) Gujarat is one of the major cotton growing states in India. During last cotton season 1998-99 (October-September) 47 lakh bales (of 170 kg. each) of cotton was produced. As per estimates of the Cotton Advisory Board (in its meeting held on 10.3.2000) the production during the current cotton year 1999-2000 in Gujarat is likely to be 35 lakh bales. To safeguard the interests of the cotton growing farmers, the Government announces Minimum Support Price (MSP) for Kapas (seed cotton) every year taking into account costs of all inputs and a reasonable margin of profit. In the event of the market price of Kapas falling below the MSP, the Cotton Corporation of India Ltd. (CCI), a Public Sector Undertaking of the Government of India, purchases Kapas at MSP without any quantitative limit thus ensuring remunerative prices to the cotton growing farmers. During the current cotton season 1999-2000 market prices of Kapas in Gujarat have been ruling well above the MSP which implies that the farmers are receiving reasonable price for their produce. The Central Government does not purchase cotton, however, the CCI purchases cotton as a part of its commercial operation. During the current cotton season 1999-2000, the CCI has so far (as on 11.4.2000) purchased 91,394 bales valued at Rs. 81.15 crore of cotton and there is no delay in payment to the farmers.

Decline in Textile Exports

3520. SHRI RAMACHANDRAIAH RUMANDLA: Will the Minister of TEXTILES be pleased to state:

(a) whether textile exports have declined?

(b) if so, the reasons therefor; and

(c) the measures proposed to encourage textile industry for increasing the growing of exports?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN): (a) No, Sir.

(b) Does not arise, in view of (a) above.

(c) Government have been taking several steps from time to time for increasing exports. Some of the important initiatives taken specifically in respect of the textile sector are as under:

(1) The Technology Upgradation Fund Scheme has been made operational with effect from 1-4-1999 to facilitate the modernisation and Upgradation of this sector.

(2) The New Export Entitlement (Quota) Policy for the period 2000—2004 has been announced recently to provide stability and continuity and encouragement competitiveness in textile exports.

(3) Non-Quota Entitlement (NQE) System for encouraging non-quota exports to quota and non-quota countries has been retained to boost exports in apparel sector-value added segment of Indian textiles.

(4) The facility to import goods under Export Promotion Capital Goods (EPCG) Scheme at 5% concessional rate of duty.

(5) Exports of cotton yarn by Export Oriented Unit (EOU)/Export Promotion Zone (EPZ)/EPCG unit has been liberalised.

(6) Zero Duty import of certain categories of trimmings & embellishments has been allowed.

Flexibility quota to Indian Textiles

3521. SHRI RAMACHANDRAIAH RUMANDLA: Will the Minister of TEXTILES be pleased to state:

(a) whether European Union propose to provide flexibility quota to Indian textiles;

(b) if so, the details thereof;